

State of Alabama Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
Montgomery, Alabama 36132

CYNTHIA UNDERWOOD Assistant Commissioner LEWIS A. EASTERLY Secretary

August 20, 2007

TO: ALL PERSONS, FIRMS, AND CORPORATIONS making sales at retail in the Town of Chatom, Alabama and its police jurisdiction (located in Washington County).

On April 16, 2007, the governing body of the Town of Chatom adopted Ordinance No. 309 increasing the Town of Chatom sales tax rates <u>effective September 1, 2007</u>. The increased sales tax rates are shown below:

Sales Tax Rates:	Old Rates	New Rates
General Rate	4%	5%
Admissions to places of amusement and entertainment	4%	5%
Retail selling price of food for human consumption		
sold through vending machines	4%	5%
Net difference paid for machines, machinery, and equipment		
used in planting, cultivating, and harvesting farm products	1%	1%
Machines, parts, and attachments for machines used in		
manufacturing tangible personal property	1%	1%
Net difference paid for all automotive vehicles,		
truck trailers, semi-trailers, and house trailers	.55%	.55%
Withdrawal fee for automotive vehicle dealers only	\$1.00	\$1.00

If sales are made or delivered to consumers outside the corporate limits of the Town of Chatom but within the police jurisdiction, the rates of sales tax are one-half the rates shown above.

The Law requires that the Town of Chatom sales tax be collected, reported and remitted in the same manner as the State sales tax. When you file and pay electronically, the Town of Chatom sales tax is to be included on the electronic city/county tax return assigned to you (City and County Tax Return, form 9501). Simply enter the gross amounts and deductions, and all calculations will be done automatically for you. You may file these taxes online through the Internet at www.revenue.alabama.gov/salestax/efiling.html or by telephone by calling toll free 1-800-828-1727. Telephone-filers should use Locality Code 9312.

Please direct all questions regarding the Town of Chatom sales tax to this office:

Alabama Department of Revenue Sales, Use & Business Tax Division Post Office Box 327710 Montgomery, Alabama 36132-7710 334-242-1490 or 866-576-6531